

~~TOP SECRET~~



USSR

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INFORMATION FROM "PAL".

From: NEW YORK

To: MOSCOW

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To the 3th Department.

PAL [PEL][1] advises:

According to the information of F.E.A. on 22nd April the ISLANDERS [OSTROVITYANE][11] gave up the plan of invading the Balkans, preferring to await the total [C% defeat] [1 group unrecovered], and after that rapidly occupy Greece and Yugoslavia.

2. The BANK [BANK][iii] is inclined to approve the USSR's intention to remove industrial equipment from Germany to replace what was destroyed. The BANK considers ~~it is~~ <sup>it is</sup> possible to exact reparations from Germany for 10 years. Only after this does it think it possible to allow Germany to begin the reconstruction of her own industry.

3. ~~PROKOP~~ <sup>PROCOPE (PROKOP)</sup> [iv] in conversations with various highly placed representatives of the LEAGUE [v] is indicating that Finland is unable to pay [1 group unrecovered] the USSR 120 million dollars in reparations.

4. The master of the COUNTRY HOUSE [D:CHA.] [v1] in a telegram to the BINK on 15th April advised that the Soviet <sup>to make any</sup> Government does not want ~~the 1934-1935~~ <sup>groups</sup> ~~unrecovered~~ <sup>in the talks</sup> ~~persistently~~ in the talks about a loan. He considers ~~about a loan~~

[Continued overleaf]

### Distribution

that it ~~would be~~ more in the interest of the COUNTRY [STRANA][viii] to conclude an agreement about a loan now than to wait for the end of the war.

5. NABOB [NABOB][ix] has decided to present to CAPTAIN [KAPITAN][x] a plan for a post-war trade agreement with us.

[51 groups unrecoverable]

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Comments: [i] FĚL: possibly Nathan Gregory SILVERMASTER.

[ii] OSTROVITYANE: the British.

[iii] BANK: the U.S. State Department.

[iv] Hjalmar PROCOPE, Finnish Minister in WASHINGTON.

[v] LIGA: the U.S. Government.

[vi] DACHA: the U.S. Embassy in MOSCOW.

[vii] ~~DEKRET: Lend-Lease.~~

[viii] STRANA: the U.S.A.

[ix] NABOB: Henry MORGENTHAU, Jr.

[x] KAPITAN: Franklin D. ROOSEVELT.

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